

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF PUERTO RICO

In re:

MERIT LEASING CO., INC.
Debtor

CASE NO. 07-04576 (ESL 7)

CHAPTER 7

**STIPULATION TO SETTLE PRIDCO'S REQUEST FOR PAYMENT
OF ADMINISTRATIVE EXPENSES FOR POST-PETITION STORAGE RENT**

TO THE HONORABLE COURT:

BY COUNSEL COMES THE CHAPTER 7 TRUSTEE, and PUERTO RICO INDUSTRIAL DEVELOPMENT COMPANY, ("PRIDCO"), through their respective counsels of record and respectfully submit this *Stipulation and/or Compromise to Settle* pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure. In support of their request the parties would show unto the Court as follows:

WHEREAS: On July 7, 2008, PRIDCO filed a *Motion for Allowance of Administrative Payment for Post-Petition Storage Rent*. **See Dkt. 66.** In said motion, PRIDCO requested the payment of \$18,102.73 as an administrative expense for the post petition storage rent accrued as of July 31, 2008.

WHEREAS: On August 15, 2008, the Honorable Court issued an *Order* granting PRIDCO's motion as unopposed. **See Dkt. 71.**

WHEREAS: On December 18, 2009, PRIDCO filed an *Amended Motion for Allowance of Administrative Payment for Post Petition Storage Rent* to include the amounts accrued as of April 14, 2009. In sum, PRIDCO requested payment of post petition storage rent in the amount of \$31,483.00. **See Dkt. 109**

WHEREAS: On January 7, 2010, the Ch. 7 Trustee filed an *Opposition to PRIDCO's Amended Request for Payment of Administrative Expenses*. **See Dkt. 110.**

WHEREAS: On January 26, 2010, PRIDCO filed a *Reply to Ch. 7 Trustee's Opposition to PRIDCO's Amended Request for Payment of Administrative Expenses*. **See Dkt. 113.**

WHEREAS: On February 2, 2010, this Honorable Court issued an Order and Notice scheduling a Pre Trial Conference for April 23, 2010 at 9:30 AM. **See Dkt. 115.**

WHEREAS: On February 16, 2010, the Ch. 7 Trustee filed a *Sur-Reply to PRIDCO's Reply*. **See Dkt. 120.**

WHEREAS: The parties understand that it would be in the best interest of the estate to settle PRIDCO's original and amended *Request for Payment of Administrative Expense for Post Petition Storage Rent* (Dkts. 66 and 109) through a *Stipulation and/or Compromise Agreement*; NOW, IT IS THEREFORE AGREED THAT:

ONE: By the execution of this *Stipulation and/or Compromise Agreement*, the Ch. 7 Trustee and PRIDCO jointly request its approval by the Court;

TWO: This *Stipulation and/or Compromise Agreement* shall become effective only upon issuance of an order by the Court approving all the terms and conditions thereof;

THREE: The Ch. 7 Trustee agrees to pay PRIDCO the amount of **\$12,500.00 as a Ch. 7 Administrative Super Priority;**

FOUR: The Ch. 7 Trustee shall make the above-mentioned payment to PRIDCO within ten (10) days of the issuance of the Order approving the present *Stipulation and/or Compromise Agreement*;

FIVE: Subject to availability of funds in the estate and to the distribution scheme of the Bankruptcy Code, the Ch. 7 Trustee agrees that PRIDCO has an unsecured claim in the amount of \$35,511.57. To such effects, PRIDCO will amend its claim to request an unsecured amount of \$35,511.57.

SIX: The parties to this *Stipulation and/or Compromise Agreement* covenant and obligate themselves to execute all documents that may be necessary or convenient to implement its provisions.

SEVEN: The Court shall retain jurisdiction for the purpose of enforcing this *Stipulation and/or Compromise Agreement* and adjudicating any claims arising under or in connection therewith.

EIGHT: This *Stipulation and/or Compromise Agreement* shall bind the parties and their respective successors, assignees, heirs, privies, executors and administrators.

NINE: This document contains the sole and entire agreement between the parties and may not be changed orally.

TEN: Failure by any of the parties to exercise any right hereunder will not be considered a waiver thereof.

ELEVEN: In view of the present Stipulation, the parties hereby request that the Pre-Trial Hearing scheduled for April 24, 2010 be vacated and set aside.

TWELVE: The Trustee understands that it is in the best interest of the estate to enter in this agreement as it will avoid additional costs and expenses to the estate.

Wherefore, the parties respectfully request that the Court enter an Order approving the settlement terms set forth in this *Stipulation and/or Compromise Agreement with such further relief as may be just and proper.*

IN WITNESS WHEREOF, this *Stipulation and/or Compromise Agreement* is executed in San Juan, Puerto Rico, this 29th day of March, 2010.

RESPECTFULLY SUBMITTED.

NOTICE

TO: ALL CREDITORS AND PARTIES

Within twenty one (21) days after service as evidenced by the certification, and an additional three (3) days pursuant to Fed. R. Bank. P. 9006(f) if you were served by mail, any party against whom this paper has been served, or any other party to the action who objects to the relief sought herein, shall serve and file an objection or other appropriate response to this paper with the Clerk's office of the U.S. Bankruptcy Court for the District of Puerto Rico. If no objection or other response is filed within the time allowed herein, the paper will be deemed unopposed and may be granted unless: (i) the requested relief is forbidden by law; (ii) the requested relief is against public policy; or (iii) in the opinion of the Court, the interest of justice requires otherwise.

CERTIFICATE OF SERVICE: I hereby certify that on this same date I electronically filed this *Stipulation and/or Compromise Agreement* with the Clerk of the Court using the CM/ECF System which will send notification of such filing to all the following CM/ECF participants of this case. In addition, this *Stipulation and/or Compromise Agreement* was sent to all CM/ECF non-participants listed in the case's master address list.

S/ ANDRES C. GORBEA DEL VALLE
Manuel A. Segarra Vazquez Law Office
Counsel for PRIDCO
PO Box 9021115
San Juan, P.R. 00902-1115
Tel. (787) 273-2080/ Fax (787) 273-2082
USDC No. 226313
acg.segarralaw@onelinkpr.net

S/ JORGE L. GERENA MENDEZ
Chapter 7 Trustee
PO Box 195542
San Juan, P.R. 00919-5542
Phone / Fax (787) 766-0780
USDC No. 211701
jlgere@gmail.com

Label Matrix for local noticing
0104-3
Case 07-04576-ESL7
District of Puerto Rico
Old San Juan
Mon Mar 29 15:30:22 AST 2010

MERIT LEASING CO INC
PMB 538 PO BOX 6022
CAROLINA, PR 00988-6022

Remaches de Puerto Rico, Inc.
PO Box 1144
Canovanas, PR 00729-1144

US Bankruptcy Court District of P.R.
U.S. Post Office and Courthouse Building
300 Recinto Sur Street, Room 109
San Juan, PR 00901-1964

BANCO POPULAR DE PR
PO BOX 362708
SAN JUAN PR 00936-2708

CARIBBEAN BUSINESS
PO BOX 12130
SAN JUAN PR 00914-0130

Department of Treasury
Bankruptcy Section (424-B)
PO Box 9024140
San Juan, PR 00902-4140

GENERAL INVESTMENT SE
PO BOX 365051
SAN JUAN PR 00936-5051

HG DELIVERY
BOX 499
SAINT JUST
PUERTO RICO 00978-0499

MET PRO INC
LUIS ROBERTO SANTOS MONTALVO ESQ
PO BOX 1809
MAYAGUEZ PR 00681-1809

BANCO POPULAR DE PUERTO RICO
SPECIAL LOANS DEPARTMENT
MIGDALIA EFFIE GUASP
PO BOX 362708
SAN JUAN, PR 00936-2708

PRAMCO CV7 LLC
MATTHEW LAYTON
230 CROSSKEYS OFFICE PARK
FAIRPORT, NY 14450-3510

STATE INSURANCE FUND CORPORATION
ALEJANDRO A SUAREZ CABRERA ESQ
PO BOX 365028
SAN JUAN, PR 00936-5028

AAA MINI ALMACENES
PMB 84 HC-01
BOX 29030
CAGUAS PR 00725-8900

BT-SPV INC
PO BOX 191682
SAN JUAN PR 00919-1682

CRIM
PO BOX 195387
SAN JUAN PR 00919-5387

ELIZABETH MALDONADO PONS
PMB 393 200
AVE RAFAEL CORDERO 140
CAGUAS PR 00725-4155

HECTOR DELPIN
133 CALLE GUAYAMA
HATO REY PR 00917-4512

(p) INTERNAL REVENUE SERVICE
CENTRALIZED INSOLVENCY OPERATIONS
PO BOX 21126
PHILADELPHIA PA 19114-0326

MUNICIPIO DE SAN JUAN
PO BOX 70179
SAN JUAN PR 00936-8179

BT SPV, INC.
PO BOX 191682
SAN JUAN, PR 00919-1682 PUERTO RICO

PRIDCO
PO BOX 362350
SAN JUAN, PR 00936-2350

US TRUSTEE
EDIFICIO OCHOA
500 TANCA STREET SUITE 301
SAN JUAN, PR 00901-1938

ADA LUZ SANCHEZ SANTIAGO
CALLE BALSEIRO 51
ESQUINA BALDORIOTY DE CASTRO
RIO PIEDRAS PR 00925-2428

CAFETERIA INDUSTRIAL INC
RR-01 BOX 17005
TOA ALTA PR 00953

DEPARTMENT OF TREASURY
PO BOX 9023271
SAN JUAN PR 00902-3271

FIRST BANK
PO BOX 9146
SAN JUAN PR 00908-0146

HECTOR RIVERA NIEVES
CO YANIRA SANTIAGO ESQ
PO BOX 143651
ARECIBO PR 00614-3651

JOSE RAUL COMPUING INC
HC70 BOX 7255
CAYEY PR 00736

PRAMCO CV7 LLC
SDS-122713
PO BOX 86
MINNEAPOLIS MN 59486

PRAMCO CV7, LLC
230 CrossKeys Office Park
Fairport, New York 14450-3510

PRTC
PO BOX 71535
SAN JUAN PR 00936-8635

Puerto Rico Department of Labor
Collection Unit 12 Floor
505 Munoz Rivera Avenue
Hato Rey, PR 00918-3352

REMACHES DE PR
CO LUGI RIVERA RODZ
AVE BORINQUEN 2013
SAN JUAN PR 00915-3814

Remaches de Puerto Rico Inc.
Oneill & Borges
Attn. David P. Freedman, Esq.
250 Munoz Rivera Ave., Suite 800
San Juan, P.R. 00918-1813

STATE INSURANCE CORP
PO BOX 365028
RIO PIEDRAS PR 00936-5028

STATE OF LABOR DEPARTMENT
PO BOX 191020
SAN JUAN PR 00919-1020

CARMEN D CONDE TORRES
254 SAN JOSE STREET
5TH FLOOR
SAN JUAN, PR 00901-1523

ENRIQUE J. SILVA ALMEYDA
PMB 201 3071 ALEJANDRINO AVE
GUAYNABO, PR 00969-4800

JOHN E MUDD GONZALEZ
LAW OFFICES JOHN E MUDD
PO BOX 194134
SAN JUAN, PR 00919-4134

JORGE LUIS GERENA MENDEZ
GERENA LAW OFFICE
PO BOX 195542
SAN JUAN, PR 00919-5542

MONSITA LECAROS ARRIAS
OFFICE OF THE US TRUSTEE (UST)
OCHOA BUILDING
500 TANCA STREET SUITE 301
SAN JUAN, PR 00901-1938

The preferred mailing address (p) above has been substituted for the following entity/entities as so specified by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g)(4).

INTERNAL REVENUE SERVICE-INSOLVENCY UNIT
MERCANTIL PLAZA BUILDING
2 PONCE DE LEON AVENUE RM 1014
SAN JUAN PR 00918-1693

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(u)Met Pro Inc.

(u)INTERNAL REVENUE SERVICE

(d)MERIT LEASING CO INC
PMB 538
PO BOX 6022
CAROLINA PR 00988-6022

(d)PRIDCO
PO BOX 362350
SAN JUAN PR 00936-2350

End of Label Matrix
Mailable recipients 41
Bypassed recipients 4
Total 45